



Legislative  
Services Agency

# FINAL REPORT

## Medicaid Elderly Waiver Program Study Committee

February 2009

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### MEMBERS

Senator Amanda Ragan,  
Co-chairperson  
Senator David Johnson  
Senator Becky Schmitz

Representative Lisa K. Heddens,  
Co-chairperson  
Representative David Heaton  
Representative Thomas J. Schueller

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Legislative Services Agency

### AUTHORIZATION AND APPOINTMENT

The Medicaid Elderly Waiver Program Study Committee was established by the legislative council to "Review the services, costs, and requirements under the Medicaid Home and Community-based Services Elderly Waiver Program. Consult with the Department of Human Services and persons interested in the program. Make recommendations for appropriate changes to the program."



## Medicaid Elderly Waiver Program Study Committee

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### I. Committee Proceedings

The Committee was authorized to conduct one meeting during the 2008 Legislative Interim. The Committee met on Thursday, November 13, 2008, in Room 22 of the State Capitol.

### II. November 13, 2008, Meeting

**Overview.** The Committee received testimony from various persons involved with Medicaid Home and Community-based Services (HCBS) waivers, including the Elderly Waiver. The testimony addressed the requirements, services and costs associated with the waivers, and the perspectives of the Department of Human Services (DHS) and providers relative to the waivers.

**Iowa Department of Human Services.** Mr. Gene Gessow, Director, DHS, and Ms. Eileen Creager, Long-Term Care Bureau Chief, DHS, provided an overview of Medicaid HCBS waivers, including medical and financial eligibility requirements, services and cost limits, number of consumers receiving services, and federal compliance requirements.

**Iowa Alliance in Home Care.** Mr. Mark Wheeler, Iowa Alliance in Home Care, and two of the agency's members, Ms. Elizabeth Sutter, Iowa Health Home Care, and Mr. Andy Bagchi, Iowa Home Care, presented issues identified with the current elderly waiver program and recommendations for improvement in the program. The recommendations included an increase in provider reimbursement, reimbursement for travel time and mileage for providers, and utilization of and reimbursement for telemonitoring.

**Department of Elder Affairs (DEA).** Mr. John McCalley, Director, DEA, presented information regarding the complementary provision and utilization of services under DEA's Case Management Program for the Frail Elderly (CMPFE) and the Medicaid elderly waiver. He noted that based on the unmet needs survey that reflects unmet service needs for elderly lowans as reported to DEA by Iowa's 13 area agencies on aging, a total of \$1.1 million in additional funding was needed to cover unmet service needs in FY 2007-2008.

**Iowa Association of Area Agencies on Aging (i4a).** Ms. Donna Harvey, Director, Hawkeye Valley Area Agency on Aging, and President, i4a, reported that 12 of the 13 area agencies on aging currently provide case management services to consumers through the Medicaid elderly waiver, serving over 8,000 consumers. She noted that while increased paperwork and other requirements add to the time commitment of staff, they also provide a good check and balance system to keep consumers safe. Some concerns include ensuring that consumers participating in the Medicaid Consumer-Directed Attendant Care Program have adequate quality control and working to determine the actual cost of case management services in order to provide an accurate reimbursement rate.

**Visiting Nurse Services (VNS).** Ms. Mary O'Brien and Ms. Diane Burkert presented on behalf of VNS. VNS serves approximately 160 clients through the Medicaid elderly waiver and also



provides over 39 other services to various populations in Boone, Dallas, Jasper, Madison, Marion, Polk, Story, and Warren counties. Ms. O'Brien presented client profiles, including that the majority of those served are non-English speaking, are very fragile, are isolated, and have neglected health needs. As a case manager, Ms. Burkert described specific examples of consumers who have thrived due to the services provided. One concern is that reimbursement for case management under the elderly waiver is limited to \$70 per month while the actual cost per client is over \$79.

**Iowa Association of Homes and Services for the Aging (IAHSA).** Ms. Dana Petrowsky, President and CEO, IAHSA, discussed the needs of seniors utilizing the Medicaid elderly waiver including those in assisted living. The IAHSA supports an increase in the elderly waiver rate cap and has provided a new formulary for determining the rate, based upon a percentage of nursing facility reimbursement. Ms. Petrowsky also noted the importance of funding provided through the Senior Living Trust Fund and the need to pursue an assisted living waiver as was proposed in legislation enacted in 2005.

**Iowa Health Care Association (IHCA)/Iowa Center for Assisted Living (ICAL).** Ms. Cindy Baddello, IHCA Deputy Director, and ICAL Director; Ms. Jeanine Chartier, Char-Mac Assisted Living, Holstein/Lawton; Ms. Suzanne Menke, Kensington/Fort Madison; and Ms. Stacy Hejda, Assisted Living Partners, Cedar Rapids, presented information as members of IHCA/ICAL. Ms. Baddello provided a description of the current tenants in assisted living programs in the state and recommended implementation of a service description under the Medicaid elderly waiver specifically for assisted living program services that include an acuity-based daily reimbursement rate in order to make assisted living more accessible to consumers. She provided information about the payment rates of other states for assisted living payment rates under Medicaid. Ms. Chartier, Ms. Menke, and Ms. Hejda provided insight as assisted living providers. Their concerns included regulatory requirements and paperwork, including the new provider self-assessment.

### III. Committee Recommendations

The Committee recommended that the final report, including all materials distributed, the meeting minutes, and materials submitted subsequent to the meeting in response to inquiries by the Committee (see items 14 through 19 in the Materials Filed listing of this report) during the meeting be compiled and forwarded to the Joint Appropriations Subcommittee on Health and Human Services for further review and action.

### IV. Materials Filed With the Legislative Services Agency

The following materials listed were distributed at or in connection with the Committee's meeting and are on file with the Legislative Services Agency. The materials may be accessed from the <Additional Information> link on the Committee's Internet webpage:

[http://www.legis.state.ia.us/scripts/docmgr/docmgr\\_comdocs.dll/showtypeinterim?id=true&type=ih&com=241](http://www.legis.state.ia.us/scripts/docmgr/docmgr_comdocs.dll/showtypeinterim?id=true&type=ih&com=241)

1. Committee Proposed Rules.



## Medicaid Elderly Waiver Program Study Committee

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2. Presentation by the Department of Human Services, November 13, 2008.
3. Medicaid Home and Community-based Services Waiver Overview, Department of Human Services, November 13, 2008.
4. Home and Community-based Services Elderly Waiver Information Packet, submitted by the Department of Human Services, November 13, 2008.
5. Iowa Medicaid Elderly Waiver Program Home Health Issues & Recommendations, Iowa Alliance in Home Care, November 13, 2008.
6. Case Management Program for the Frail Elderly: Department of Elder Affairs, November 13, 2008.
7. Case Management Program for the Frail Elderly Fiscal Fact Sheet, Department of Elder Affairs, November 13, 2008.
8. Department of Elder Affairs Service Categories Compared to Elderly Waiver Service Array, November 13, 2008.
9. Comments, Iowa Association of Area Agencies on Aging, November 13, 2008.
10. Elderly Waiver Case Management, Visiting Nurse Services, November 13, 2008.
11. Fair Funding for Alternative Services/Explanation of Fiscal Impact for New System, Iowa Association of Homes and Services for the Aging, November 13, 2008.
12. Assisted Living Survey 2006, Iowa Center for Assisted Living, November 13, 2008.
13. Recommendations, Iowa Center for Assisted Living, November 13, 2008.
14. Department of Elder Affairs Response to Unmet Needs Report, November 14, 2008.
15. Iowa Alliance in Home Care/Iowa Center for Assisted Living Follow-up, November 17, 2008.
16. Iowa Alliance in Home Care Responses to Committee, December 3, 2008.
17. Iowa Alliance in Home Care Guidelines for Telemonitoring, December 12, 2008.
18. Department of Human Services Waiver Comparison Chart, December 12, 2008.
19. Department of Human Services Response to Committee Inquiries, December 12, 2008.
20. Disease Management News: "Iowa Congestive Heart Failure Telemonitoring Demo Shows Good Outcomes", submitted by Des Moines University – Osteopathic Medical Center, January 20, 2009.